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2020 FEB -3 P 3:15

POSTAL REGULATORY
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January 29, 2020

Postal Regulatory Commission
901 New York Avenue NW
Suite 200
Washington, DC 20268

RE: Docket No. RM2017-3

Dear Commissioners:

I join the Alliance of Nonprofit Mailers and the nonprofit mailing community in urging you to reconsider your proposal to increase postage rates several times the rate of inflation. Increases that are estimated to reach 7 percent a year, or 40 percent compounded for five years, will not fix the United States Postal Service and will have a significant negative impact on both the agency and its customers.

As a nonprofit, we rely on mail for the majority of our membership and fundraising activities. But we operate on a limited, fixed fundraising budget each year, so should postage increase as much as you contemplate, we will be forced to greatly reduce the number of pieces we mail. It will have a disastrous impact on our revenue and greatly reduce our ability to execute our mission.

As a conservation organization dedicated to the outdoors, we are very careful with what and to whom we mail. We use the mail because members acquired via direct mail have the highest retention rate—beating all other channels. However, direct mail is expensive and the long-term return on our investment is the only reason we are still in the mail today. As of now, postage is the highest percentage of our direct mail costs, nearly double that of printing, and 50% higher than mailing services.

Every increase in postage affects our budget. A significant postage increase will reduce our mail volume because without a reasonable return on our investment, we won't be able to justify our spending to our Board of Directors. And postage increases totaling 40 percent over the next five years will eliminate our use of the mail for new member acquisition entirely. Plus, it will reduce our ability to renew members, 70 percent of whom renew through the mail we send reminding them to renew. This will impact our mission and the people we serve through that mission.

Please, do the right thing and reconsider your proposal.

Sincerely,

Teri Morrow

Director of Membership and Community Giving
Appalachian Mountain Club